

At the Regular Meeting of the Greenville County Water and Sewer Authority, Monday, June 3, 2019, with Regular Session beginning at the conclusion of the Board of Supervisors meeting, in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia

Present: Raymond L. Bryant, Chairman
Tony M. Conwell, Vice-Chairman
Michael W. Ferguson
William B. Cain

Chairman Bryant called the meeting to order.

In Re: Closed Session

Mrs. Parson, Director, stated that Staff recommended the Authority go into Closed Session, Section 2.2-3711 (a) 1) Personnel Matters.

Mr. Conwell moved, seconded by Mr. Ferguson, to go into Closed Session, as recommended by Staff. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

In Re: Regular Session

Mrs. Parson stated that Staff recommended the Authority return to Regular Session.

Mr. Conwell moved, seconded by Mr. Ferguson, to go into Regular Session. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

In Re: Certification of Closed Meeting – Resolution #WS-19-37

Mr. Conwell moved, seconded by Mr. Ferguson, to adopt the following Resolution. A roll call vote was taken, as follows: Mr. Cain, aye; Mr. Conwell, aye; Mr. Ferguson, aye and Chairman Bryant, aye.

**RESOLUTION #WS-19-37
CERTIFICATION OF CLOSED MEETING**

WHEREAS, the Greenville Water and Sewer Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Greenville County Water and Sewer Authority that such closed meeting was conducted in conformity with Virginia law:

NOW, THEREFORE, BE IT RESOLVED that the Greenville County Water and Sewer Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Greenville County Water and Sewer Authority.

In Re: Approval of Agenda

Mrs. Parson stated that Staff recommended approval of the Agenda with no added items.

Mr. Ferguson moved, seconded by Mr. Conwell, to approve the Agenda, as submitted. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

In Re: Approval of the Consent Agenda

Mrs. Parson stated that Staff recommended approval of the Consent Agenda containing the following items:

Mr. Ferguson moved, seconded by Mr. Conwell, to approve the Consent Agenda. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

In Re: Approval of Minutes for the meeting of May 20, 2019.

Warrants:

Approval of Total Accounts Payable for June 3, 2019, in the amount of, \$243,920.15

Approval of General Fund, in the amount of \$216,468.05

Approval of Special Projects, in the amount of \$27,452.10

Approval of Payroll for May 31, 2019, in the amount of \$105,659.60

In Re: Resolution #WS-19-38 – Approval of Skippers Wastewater Treatment Plant Project

Mr. Glen Gibson addressed the Authority stating that in 2017, B&B Consultants was contracted to perform a Preliminary Engineering Report on the construction of a new wastewater treatment plant to service the I-95, Exit 4 Interchange. He stated that in the Preliminary Engineering Report, a budget was developed of \$4,835,297. He also stated that in 2018, the Authority authorized Staff to contract with B&B Consultants to design the proposed facility. Mr. Gibson stated during the design phase, it was determined that it would be best to break the project up into two contracts. He further stated that contract #1 was the force main and a pump station that would be needed to transport the wastewater from the existing service area to the proposed new treatment plant. He stated that contract #2 was for the treatment plant itself. He also stated that on April 24, the Authority received six bids for contract #1 and on April 30, the Authority received six bids for the treatment plant. He further stated that after receiving bids, B&B Consultants and Staff developed a revised budget, with the total new budget being \$7,479,269.20. Mr. Gibson stated that the project was \$2,643,972.00 over the initial budget developed in the PER. He stated as the Project Manager, it was his responsibility to bring projects in within their budget, and with this project, it was not done. He then asked Sam Carroll, the owner of B&B Consultants, to come forward and explain why the project was over budget. Mr. Gibson stated that as a reminder, B&B Consultants had done many projects for the Water and Sewer Authority, with some of them being very big projects.

Mr. Gibson also stated that the Dominion Utility Projects were the largest. He stated they had completed the Phase I projects and that this project had a total budget of over \$46,000,000 for both Phase I and Phase II. He also stated that Phase I came in under budget in the amount of \$426,405 and Phase II was still under construction; therefore, it was too early to report to the Authority what the final figures would be; but felt confident that Phase II would be about \$4.3 million under budget. Mr. Gibson then stated that the project as a whole, would be about \$4.7 million under budget.

Mr. Carroll addressed the Authority stating that as Glen had pointed out earlier, the project was originally budgeted at \$4.8 million and currently, it was budgeted at \$7.4 million after receiving the bids. He gave the Authority a handout and stated hopefully, it would explain some of the reasons behind the overages. He also stated that since the project was originally started, it was constantly evolving. Mr. Carroll further stated that B&B knew they were designing a plant that could easily be expanded. He stated that

within the PER, they worked to expand the plant up to 1.6 m.g.d. He also stated that with the evolving project, some items were added after the budget was prepared during the design phase as follows:

- A new pump station at Exit 4, approximately \$200,000. He stated that B&B had originally planned to rehab and improve the pump station located on site; but after they looked at the work involved and the down time, they decided it was best to put in a new pump station beside the one on site.
- A potable water well at \$140,000. He stated that they had originally planned to use the wastewater plant effluent for any water supply at the plant and drill a small residential style well, which would be much less expensive, around \$8,000 - \$10,000 to supply the bathroom needs. Mr. Carroll further stated that in reviewing the future water supply needs in the Exit 4 area, it was decided to increase the well size to a Class 2B well that could be used for a community, at approximately \$100,000, with the piping and the size of the well.
- Increase in the effluent headwork size and added the bar screen bypass, approximately a \$90,000 increase. He stated that in their original budget, they had a static screen, which was more than suitable for Phase I, but it would have to be replaced and upgraded in future phases.
- The bulk chemical storage tank and containment, \$100,000. He stated that they intended to use totes for the initial phases but once they expanded the plant increasing the capacity, the bulk chemical tank would be needed. He also stated that with those two items, when preparing the plant for the future phases; a decision had to be made on what equipment to install now for full buildout or what equipment to install that was suitable for Phase I.
- Additional quantities of piping and earthwork in excess of the PER, approximately \$200,000.
- During the PER phase, B&B was not exactly sure of the size of the plant. He stated that once they started the design, they realized they needed to relocate the piping out around the perimeter, allowing room for expanded phases.
- Equipment cost increased by manufacturers, \$350,000.
- He also stated that some of those increases were due to narrowing down the scope and better specifying exactly what was needed and working with the operators in finding out exactly what they required.
- Market changes over the past two years, with contractors under contracts for other projects and the recent tariff taxes approximately \$1.5 million.

Mr. Carroll stated B&B reviewed the process used to determine the original estimated budget in the PER, by revisiting information obtained during the design period utilizing recent projects, as well as, those completed by B&B. He stated that upon completion of our analyzation of this information, we estimated the project should have bid for \$3.5 to \$4 million. He also stated that unfortunately, the bids came in much higher than estimated and the only reason they could contribute was the economy. He

further stated that in talking with contractors who bid on the project, they stated; they were just not as hungry for work as they were a few years ago.

Mr. Ferguson stated that the Authority had just installed two wells in Skippers. He stated that he would like to know if the wells could be used for this project. Mr. Carroll stated no, B&B had analyzed running piping to the plant, and it would have exceeded) \$140,000.

Chairman Bryant stated that it bothered him that the original estimate was around \$5,000,000. He stated that B&B missed the bid by half the amount. He stated that by missing the bid by over \$2,000,000, along with the alternate items being cut from the project if the Skippers interchange really expanded, the Authority would be borrowing money in less than 10 years. Chairman Bryant stated that he applauded B&B for what they had done on other projects, but the other projects stood alone.

Mr. Ferguson stated that he had a problem with the project being 1/3 over budget.

Mr. Carroll then pointed out some items that were not in the original PER but needed to be added for future expansion.

Chairman Bryant stated that if the Authority had to step up and cut items, what was B&B going to do for the Authority. Mr. Carroll then shared with the Authority items that were in the PER that had received significant discounts.

Mr. Cain stated that B&B had not given the Authority anything. He stated that the only way B&B could give the Authority anything was to have the budget decreased.

Mr. Ferguson recommended that the Authority review everything again and decide what to do. He stated that the Authority did not have \$2.6 million to add to the budget.

Mr. Ferguson moved, seconded by Mr. Conwell, to defer the item until the next meeting. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

Mr. Clint Slate, 103 Beechtree Lane, requested to address the Authority. He stated that he wanted to comment in defense of Mr. Carroll. He also stated that he had never met Mr. Carroll before but felt for him. He further stated that the difference in what Mr. Carroll did versus what himself did for a living that Mr. Carroll brought to the Authority the prospect of what a contractor would charge for the project. Mr. Slate stated he was sure, based on information from past jobs, bid patterns and other contractors he had worked with, was the reason Mr. Carroll came in and presented to the Authority what was not expected. He stated that Mr. Carroll had fallen victim to other contractors that probably had other projects on going and they all most likely bid other jobs before this project. Mr. Slate stated that it sounded like Mr. Carroll had done his job, but was entangled with the busy times of the other contractors.

Supervisor Ferguson stated that he appreciated and understood Mr. Slate but the Authority still needed to go back and review the issue and figure out where to get the extra money.

In Re: Miscellaneous Matters

Mrs. Parson stated that located in the Friday Memo were the Staff Meeting Minutes and Departmental Reports for the Authority's review and comments.

Chairman Bryant asked if there were any questions. There were none.

Re: Adjournment

There being no further business to discuss, Mr. Ferguson moved, seconded by Mr. Conwell, to adjourn the meeting. Voting aye: Mr. Cain, Mr. Conwell, Mr. Ferguson and Chairman Bryant.

Raymond L. Bryant, Chairman
Greensville County Water and Sewer Authority